THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) As per the provisions of the Oilfields (Regulation and Development) Act, 1948 and Petroleum and Natural Gas Rules, 1959 the royalty on crude oil shall not exceed 20% of the sale price at well head and 10% of the value at well head of natural gas obtained by lessee. Royalty from offshore areas is paid to the Central Government and from onland areas to the concerned State Government.

Under the New Exploration Licensing Policy (NELP), royalty rate for offshore areas is 10% for both crude oil and natural gas. In case of deep water areas (beyond 400 metre isobath), the rate of royalty is 5% for crude oil and natural gas for the first seven years from the date of commencement of commercial production in the field. For onland area, royalty rate is 12.5% for crude oil and 10% for natural gas.

(b) and (d) The royalty rate for natural gas for onland areas is the same *i.e.* 10% under NELP as well as for the gas producing areas in main of Oil and Natural Gas Corporation Ltd. (ONGC) and Oil India Ltd. (OIL), allotted to them on nomination basis. Royalty on crude oil prevailing at present is specific @Rs.850 per metric tonne on *adhoc* basis *w.e.f.* 01.12.99.

(c) The onland blocks under NELP have been offered after obtaining concurrence of the concerned State Government to the fiscal terms of NELP, including royalty rates for oil and gas.

Dividend from overseas investments

†2780. SHRI RAM JETHMALANI:

SHRI KAPIL SIBAL:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact the public sector oil companies have invested capital in foreign countries;

(b) if so, the names of companies and the amount invested by each of them so far;

† Original notice of the question was received in Hindi.

(c) the amount of investment likely to be made; and

(d) the estimate of dividend likely to accrue as a result of said investment?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (d) ONG-Videsh Limited, a subsidiary of Oil and Natural Gas Corporation Limited, Gas Authority of India Limited, Oil India Limited, Engineers India Limited, Indian Oil Corporation Limited and Balmer Lawrie and Co. Ltd. are the oil PSUs who have invested capital in foreign countries for acquiring participating interest in various projects and formation of subsidiary/Joint Venture companies in Hydrocarbon sector. The details of investments are given in the Statement (See below). The investments made by these PSUs are long term in nature and accrual of profit is expected at a later stage.

Statement

Details of the Oil PSUs who have invested in foreign countries for projects abroad in Hydrocarbon sector

Name of oil PSU	Name of Foreign country	Amount of Investment (Rs in crore) Actual	Likely	Estimated Dividend	Remarks
1	2	3	4	5	6
1. ONG Videsh Ltd. (100% subsidiary of Oil & Natural Gas Corporationn Limited	I.Vietnam	585.00*	272.08	Direct investment in the project and hence, no dividend is to accrue.	Investment has been made in the after acquiring participation interest in the particular projects and hence the income from production is to be distributed among the partners as defined in the Production Contract.
	2. Russia (Sakhalin-I)	1,972.50'	4,009.91		
	3. Iraq (Block 8)	2.90'	49.43		
	4. Myanmar (Block A-I)	5.88*	23.62		
	5. USA (Louisiana)		125.91		
	6. Libya		86.41		
	7. Sudan (I & II)		4.182.33		
	8. Iraq (Tuba Field)		220.02		
	9. Iran		52.73		
	10. Kazakhstan		94.74		
	11. Qatar		46.55		
	12. Others		20.00		
	13. Sakhalin India Inc. (Louisiana	US$1,000 = IR 0.0049 (Equity	Nil		

1	2	3	4	5	6
	project)	Share Capital \			
2. Gas Authority of India Limited	Myanmar (Block A-I)	US$4.24 lakhs=IRl 2.06	US$ 7.84 lakhs=IR 3.80	-do— -do—	
3. Oil India Limited	1. Oman (Block 4) (since 31.12.2001)	28.63*	Nil	-do-	-do-
	2. Iran (Farse Offshore Block)	Nil	US $ 7.64 Million= IR 37.05		
4. Engineers India Limited	1. Malaysia (wholly owned subsidiary- Asia Pacific Sdn. Bhd.)	Malaysian Ringitt 25,000= IR 0.03	Nil	Direct investment in the project and hence, no dividend is to accrue.	Investment has been made after acquiring participation interest in the particular projects and hence the income from production is to be distributed among the partners as defined in the Production Sharing Contract.
	2. U.K. (Joint Venture with AMEC Inc., U.K.)	UKP 10,000= IR 0.05	Nil		
5. Indian Oil Corpora-tion	1. Sri Lanka (Downstrea retail of petroleum products)	....	US$ 28.86 Million= IR 14.00		
	2. Mauritius (collaboration in hydrocarbon	 I	US$ 11.56 Million= IR 56.07		
	3. Iran (Farse Offshore Block)	Nil	US$ 10.80 IR 52.38		
6. Balmer Lawrie & Co. Ltd.	1. Balmer Lawrie (UAE) LLC	8.91	Nil	-do-	-do—
	2. Balmer Lawrie (UK) Limited (in stabilisatior phase and dividend accruals not likely in 2002-03 and 2003-04.)	15:24	UKP 4.55 lakhs = IR 3.45		

*Investment made upto 31.03.2002

Exchange Rate1US$ = Indian Rs.48.50

1UKP=Indian Rs. 75.93